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**TO: Economic Support Supervisors  
Economic Support Lead Workers  
Training Staff  
Child Care Coordinators  
W-2 Agencies  
Workforce Development Boards  
Job Center Leads and Managers**

**FROM: Amy Mendel-Clemens  
Technical Assistance, Training & Education  
Section  
Bureau of Eligibility Management  
Division of Health Care Financing**

**BEM/DWS OPERATIONS MEMO**

**No: 05-21**

**DATE: 06/17/2005**

FS	<input type="checkbox"/>	MA	<input checked="" type="checkbox"/>	SC	<input checked="" type="checkbox"/>
CTS	<input type="checkbox"/>	CC	<input type="checkbox"/>	W-2	<input type="checkbox"/>
FSET	<input type="checkbox"/>	EA	<input type="checkbox"/>	CF	<input type="checkbox"/>
JAL	<input type="checkbox"/>	JC	<input type="checkbox"/>	RAP	<input type="checkbox"/>
WIA	<input type="checkbox"/>	Other	EP	<input type="checkbox"/>	★

**PRIORITY: HIGH**

**SUBJECT: Medicare Part D**

**EFFECTIVE DATE:** Immediately

**PURPOSE**

This memo is intended to provide local agencies with basic information about Medicare Part D, how it will impact agencies and customers, and provide contacts for individuals who have questions about the various aspects of the new program. States will have a limited role and IM Agencies will have no role in determining eligibility for Medicare Part D. However, the IM Agencies will have a limited roll in referring individuals to information sources and forwarding information to the Social Security Administration as described below.

**MEDICARE PART D**

Medicare Part D, like Parts A, B, and C, helps eligible individuals pay for medical services. These programs are administered by the federal Department of Health and Human Services (DHHS). Medicare Part D will be available beginning January 01, 2006 to provide prescription drug coverage to Medicare recipients.

To be eligible for Medicare Part D, an individual must be entitled to Medicare Part A and/or enrolled in Part B, and not be incarcerated. An eligible individual may voluntarily choose to enroll in an approved Preferred Drug Plan (PDP) or a Medicare Advantage Prescription Drug Plan (MA-PD) beginning in November 2005. A list of approved PDPs and MA-PDs in Wisconsin will not be available until October 2005. Each approved PDP and MA-PD will have its own

criteria for coverage including monthly premiums, co-payments, and covered prescriptions. There will be assistance available to Medicare beneficiaries through the Center for Medicare and Medicaid Services (CMS) to help determine which plan is best for them. In Wisconsin, Area Agency on Aging Benefit Specialists will also be available to help applicants, 60 years of age and older, choose a Medicare Part D PDP or MA-PD when the plans are available in fall 2005. Applicants under age 60, who have questions, should be referred to the Wisconsin Coalition for Advocacy at (800) 926-4862.

In May 2005, CMS and the Social Security Administration (SSA) began sending notification to Medicare beneficiaries regarding Medicare Part D, and the extra help that will be available to some low-income beneficiaries to pay for the costs of the new program.

#### LOW-INCOME SUBSIDY OR "EXTRA HELP"

Individuals who are enrolled in Medicare (Part A and/or B), with income below 150% of the Federal Poverty Level (FPL) and limited resources, may be eligible for help in paying the premium and co-pay costs of Medicare Part D covered prescriptions through a Low-Income Subsidy (LIS). Eligibility for LIS benefits, also referred to as "Extra Help," will be determined mainly by the Social Security Administration (SSA). LIS/Extra Help benefit applications are available from SSA and application processing and eligibility determination by SSA will begin July 1, 2005. CMS coordinates with the drug plans to insure that LIS eligible persons receive the assistance they are due.

Local agency IM workers will **not** be responsible for processing applications for "Extra Help." The original application (not a photocopy) is required for the SSA scanning process. The SSA application includes a pre-addressed postage paid envelope. If any of these applications are sent to the local Medicaid agency in error, **do not date stamp the application**, forward the application to the SSA processing center at:

Social Security Processing Administration  
Wilkes-Barre Data Operations Center  
P.O. Box 1020  
Wilkes-Barre, PA 18767-1020

See Attachment 1 for a list of Social Security Administration contacts.

#### IMPACT ON "DUAL ELIGIBLE" INDIVIDUALS

Individuals who are enrolled in Medicare (Part A and/or B) **and** are eligible for Full-Benefit Medicaid (MEH, 7.1.2), including SSI recipients, are referred to as Dual Eligible individuals. **For these individuals, Medicaid will no longer provide prescription drug coverage beginning January 1, 2006.** These Dual Eligible Individuals:

- Will not have to file an application for "Extra Help" and are deemed eligible for "Extra Help" from CMS to pay their Medicare Part D costs.
- Not enrolled in a PDP or MA-PD by December 31, 2005, will be automatically enrolled in a Medicare Part D PDP as of January 1, 2006, by CMS. This auto-enrollment process is intended to prevent any gaps in prescription drug coverage for these individuals. A Medicare Part D PDP card will be issued to them and it must be used for prescription drugs after January 1, 2006 instead of their Forward Card.

Individuals who are enrolled in Medicare (Part A and/or B) **and** are Medicare Beneficiaries (MEH 5.14.1), **except** for Qualified Disabled and Working Individuals (QDWI), will also be

considered to be “Dual Eligibles”. These Dual Eligibles will also be deemed eligible for “Extra Help” from CMS to pay their Medicare Part D costs. However, if these Dual Eligible individuals do not enroll in a drug plan on their own, they will not be enrolled by CMS in a Medicare Part D PDP until June 1, 2006.

### **IMPORTANT INFORMATION**

- Local agency IM workers will not be expected to process or administer Medicare Part D.
- Customers with questions can contact SSA directly at 1(800) 772-1213 or on the web at [www.socialsecurity.gov](http://www.socialsecurity.gov)
- Area Agencies on Aging Benefit Specialists will be trained to provide Medicare Part D applicants age 60 and older with assistance in completing and submitting Extra Help applications to SSA.
- The Wisconsin Coalition for Advocacy at 1(800) 926-4862 will answer questions from Medicare beneficiaries under age 60.
- Attachment 1 contains a list of SSA contacts.
- Customers wishing to find out more information about the LIS can visit the CMS website at: <http://www.cms.hhs.gov/medicarereform/lir.asp>

### **ATTACHMENT 1**

Wisconsin's Medicare Part D – Prescription Drug Plan Low Income Subsidy Outreach Team.

### **CONTACTS**

BHCE CARES Information & Problem Resolution Center

★Program Categories – FS – FoodShare, MA – Medicaid, SC – Senior Care, CTS – Caretaker Supplement, CC – Child Care, W-2 – Wisconsin Works, FSET – Food Stamp Employment and Training, CF – Children First, EA – Emergency Assistance, JAL – Job Access Loan, JC - Job Center Programs, RAP – Refugee Assistance Program, WIA – Workforce Investment Act, Other EP – Other Employment Programs.

DHFS/DHCF/BEM/SE